



Michigan Department of Human Services Office of Child Support

ELECTRONIC DISBURSEMENT OF CHILD SUPPORT INFORMATION SHEET

The Michigan State Disbursement Unit (MiSDU) is the single location in the state for disbursement of all child support. Public Act 548 of 2004 (MCL 400.236(4)) requires that the MiSDU disburse support electronically. With very limited exceptions, payments must be sent either to a customer's personal bank account or to a customer's debit card. The following is an overview of electronic disbursement.

Description: All customers who are not exempt under the law must choose to have their support payment either (1) directly deposited into their personal bank account or (2) deposited to a debit card. Customers who choose direct deposit to a personal bank account will receive notification when their request has been processed. Customers who select the debit card or customers who do not establish direct deposit will receive a debit card in the mail.

Debit Card: Qualifying individuals who choose the debit card option or do not choose direct deposit to a personal bank account will receive a ReliaCard® Visa® debit card from U.S. Bank.

U.S. Bank is the sixth largest financial services holding company in the United States, and the largest issuer of Visa-branded state government prepaid debit cards. U.S. Bank operates debit card programs for 19 agencies in 13 different states, including Arkansas, Colorado, Iowa, Kentucky, Michigan, Minnesota, Nebraska, North Dakota, Oregon and Washington.

New Customers: New child support customers will receive an insert with their first paper check. It will ask if they want to receive their future support through either:

- Direct deposit to a personal bank account; or
- A ReliaCard Visa debit card.

Note: Customers who do not qualify for an exception or request direct deposit within 21 days of the date of the insert with their check will be automatically enrolled in the debit card program.

Exceptions:

The following customers do not have to participate in electronic disbursement of support if they request an exception:

- Individuals with a mental or physical disability that imposes a hardship in accessing electronic payments;
- Individuals with a language or literacy barrier that imposes a hardship in accessing electronic payments; and
- Individuals with both home and work addresses that are more than 30 miles from an automatic teller machine (ATM) or their financial institution.

The above customers are not required to receive payments via direct deposit or a debit card. They must request an exception by calling their local Friend of the Court (FOC) case information access line (interactive voice response [IVR] system) and follow the prompts to the MiSDU. A list of FOC IVR phone numbers can be found at: <https://www.misdu.com/Secure/Default.aspx?tabid=29>.

U.S. Bank

ReliaCard Visa:

This is a prepaid debit card, not a credit card. Support payments will be deposited directly to the card. Cardholders can use the ReliaCard Visa debit card in the same manner as any Visa-branded debit card. They can access funds by providing either a signature or a secure Personal Identification Number (PIN).

Note: Cardholders cannot add funds to a debit card. Only the MiSDU can deposit money into this account.

The ReliaCard Visa debit card can be used at millions of locations that accept Visa debit cards.

U.S. Bank will mail monthly statements to individual cardholders so they can easily track their account activity. Cardholders also will have access to the U.S. Bank online 24-hour account information site, customer service voice response system (VRS), and customer service representatives.

Direct Deposit Fees:

The MiSDU will not charge additional fees for direct deposit to the customer's checking or savings account. Any fees charged by the customer's financial institution will not change.

ReliaCard Visa Fees:

There is no fee at the millions of locations that accept Visa debit cards in point-of-sale transactions. These locations include grocery stores, restaurants, medical offices, gas stations, retail stores, and pharmacies, among others.

Customers can get "cash back" with purchases from Interlink merchants without any fee. There are over 29,000 Interlink merchants in Michigan. To identify an Interlink merchant, customers can match the Interlink logo on the back of their card to the logo displayed on the merchant's door or check-out counter.

Cardholders can also receive "cash back" free of charge from any bank or credit union that processes Visa cash advances at the teller window.

There is a U.S. Bank service charge of \$1.50 for all ATM withdrawals. As with any ATM withdrawal, there may be an additional surcharge by the ATM owner/operator for these transactions. The surcharge fee will be explained on the ATM screen before the transaction is completed, allowing the customer to choose whether or not to proceed before incurring the surcharge fee.

There are no U.S. Bank fees for accessing account information via the Internet, customer service VRS, or ATM balance inquiries. Customers will be allowed one free call each month to talk with a U.S. Bank customer service representative. Additional monthly calls to a customer service representative will be \$3.

Complete details on standard fees are provided with the debit card.

Benefits of Program:

Electronic payments:

- Cost less to process;
- Eliminate time customers spend waiting for their check to be delivered through the mail;
- Reduce returned mail;
- Eliminate late, lost or stolen checks;
- Provide immediate access to funds;

- Provide enhanced security safeguards; and
- Reduce money held by the state waiting for a customer to update his/her address. (To search for unclaimed child support funds, go to:
http://www.michigan.gov/dhs/0,1607,7-124-5453_5528-107523-_,00.html.)

Customer Service:

- Customers can contact their local FOC 24-hour case information access line (IVR system) and follow the prompts to the MiSDU. A list of FOC IVR phone numbers can be found here: <https://www.misdu.com/Secure/Default.aspx?tabid=29>.
- Customers with debit cards will receive a U.S. Bank toll-free customer service number.
- Electronic payments (both for direct deposit and for the debit card) are released through national banking system networks that take approximately two business days from the time they are posted on the IVR to the time they arrived in the customer accounts.
- Frequently asked questions (FAQs) about electronic disbursement of child support can be found here:
http://www.michigan.gov/dhs/0,1607,7-124-5453_5528-127593-_,00.html.

Program Statistics:

- From October 2005 to December 2006, the state saved \$1.2 million in administrative costs due to electronic disbursement.
- 227,300 debit cards have been issued as of August 2007.
- To date, 87 percent of all debit card transactions have not incurred fees.